
SEAL Committee Policy Update

Purpose

1. This paper provides the SEAL Committee with an update on key areas of policy that underpin the work being undertaken within the Access, Learning and Outcomes Directorate and by the Policy, Insights and Analysis Directorate. The paper is for noting.

Policy area: Work-Based Learning and Skills Programmes

Climate Emergency Skills Action Plan (CESAP)

2. The executive presented an update on the implementation of the CESAP in the last Policy update SEAL/22/08. Since then, the Scottish Government (SG) has indicated that it wishes to refresh the CESAP by spring 2023 ahead of the update of its Climate change Plan, which is expected in autumn 2023. All parties to COP26 in Glasgow 2021 have committed to update their Climate Change Plans every two years, instead of every five years as previously agreed by the Paris Agreement of 2015. This is in SG's response to the urgency and criticality which the climate crisis is creating.
3. While the CESAP, first published in December 2020, provided a useful framework for public sector agencies to engage with each other and begin to address the skills challenges in key sector areas, such as Energy and Energy Transition, Decarbonising Domestic Heat (Energy efficiency) and Low Carbon Transport with individual subgroups taking forward the work, other key sectors have not had much visibility to date under CESAP in addressing the skills challenges that the climate crisis is creating. For example, key sectors such as High Value Manufacturing and Engineering, Digital, Land-based skills and Nature-based solutions, skills for the Circular Economy, Life and Chemical Sciences and Sustainable Food production have industry sector skills groups, but they do not currently report into CESAP, which the refresh is aiming to address.
4. It is intended that the CESAP refresh gives greater clarity on what needs to be delivered and who the lead agencies are in the process. The SG also wants to establish what resource requirements may be needed in order to implement Scotland's ambitious net zero targets, particularly regarding major infrastructure plans, such as ScotWind and in hydrogen production. It is recognised that Scotland's colleges and universities are major delivery partners in research, innovation and skills that are needed in Scotland's economic transformation to net zero and to deliver this through a "just transition". The SFC-led regional provision pathfinders include a commitment to help local partners to plan for the current and emerging skills needs, for example the North East Scotland Skills Accelerator (NESA), which is covered elsewhere on the agenda for this meeting.

5. In recognition that schools, colleges and universities are not only central in developing technical skills to prepare learners for work but are also vital anchors in community-led transformation of our society and economy, the CESAP Implementation Steering Group recommended that SFC and SDS consider setting up an Education Subgroup under CESAP. This group met for the first time on 29 August discussing Terms of Reference, membership and its forward agenda. The next meeting is scheduled for 29 November. The key role of colleges and universities in a just and successful transition to net zero was also recently highlighted at the Scotsman's Green Skills Conference on 4 October where Simon Hewitt, Principal of Dundee & Angus College and lead Principal on climate change, highlighted the role of colleges and the ESP as best value investments, alongside presentations from iBioIC and Data Lab.

Flexible Workforce Development Fund

6. In 2021 the Scottish Government commissioned an independent evaluation of the Flexible Workforce Development Fund (FWDF) covering Year 1 (AY 2017/18) to Year 4 (AY 2020/21) of the Fund, by EKOS Ltd.
7. The evaluation commenced at the end of 2021 and was completed in late Spring 2022 with the final report due to be published in Autumn 2022.
8. SFC has had the opportunity to review and contribute feedback on the draft final report however publication of the final report has been delayed until SG concludes the Emergency Budget Review (EBR) and the Resource Spending Review (RSR).
9. Until the EBR has concluded, and the FWDF budget has been confirmed, SFC are not in a position at this time to allocate funding to Colleges and Open University in Scotland.

Young Person Guarantee Funding

10. As with FWDF, until the EBR has concluded and the YPG budget for AY 2022/23 has been confirmed, SFC are not in a position to allocate funding to Colleges nor confirm project budgets.
11. The Scottish Government previously informed Parliament that a statement setting out the Emergency Budget Review (EBR), in relation to the 2022-23 Scottish Budget, was planned for the week commencing 24 October. However, the DFM has confirmed that the EBR will be deferred until after the planned fiscal statement from the new UK administration currently scheduled for 31 October.

Foundation and Graduate Apprenticeships

Recruitment AY2022/23

12. Data on recruitment shows strong volumes across both Foundation and Graduation Apprenticeships. Universities are reporting 1,240 Graduate Apprenticeships recruited across 13 different frameworks against a target of 1,378 with further recruitment taking

place until March 2023. Four universities have reported recruitment above their targeted places and are utilising non-controlled places to fund additional Graduate Apprentices.

13. SFC has provided funding for 2,500 Foundation Apprenticeship places in the College sector. The breakdown is that colleges are reporting over 1,100 recruits at Levels 4 and 5 across three different frameworks, and over 1,400 recruits at Level 6 across twelve frameworks.

Scottish Employer Perspective Survey 2021 (summary)

14. An action arising from the SEAL Committee meeting on 14th June was that members requested a summary of the key points from the Scottish Employer Perspective Survey at the meeting on 1st November.
15. On 31 May 2022, the Scottish government published the latest Scottish Employer Perspective Survey. It covered the results of 1,000 telephone interviews with employers between November and December 2021. The full report is at: <https://www.gov.scot/publications/scottish-employer-perspectives-survey-2021-2>
16. For the purposes of the committee the key points are collated under the headings of People Development, Apprenticeships, Preparedness for Work and Developing the Young Workforce.

People Development

17. Key points:
 - 70% of employers provided training of some form to their employees in the last 12 months, with 62% providing internal training, and 44% external training.
 - In terms of vocational qualifications, 27% of employers had arranged or funded training whose intended outcome was a vocational qualification.
 - Reasons cited for not providing such opportunities included:
 - Lack of availability of suitable qualifications (57%)
 - Insufficient staff demand (42%)
 - Lack of resources to fund qualifications (41%) or Inadequate knowledge of available qualifications (28%).
 - Awareness and usage of schemes and initiatives which assist in people development was relatively low.
 - The most widely known scheme, Individual Training Accounts, was known by 17% of employers, but used by just 2%.
 - The Flexible Workforce Development Fund was known to 11% of employers but used by only 2%.
 - Just 16% of employers had collaborated with other employers to create opportunities to develop new skills.

Apprenticeships

18. This section of the report explored employer engagement with apprenticeships, their reasons for offering apprenticeships, characteristics of the current offering, and market potential for apprenticeships. It found:

- 19% of employers surveyed offered apprenticeships of any kind, and 12% had at least one member of staff undertaking an apprenticeship when surveyed.
 - This reflects a continuation of an upward trend of employers offering apprenticeships, with 40% of employers planning to either continue offering apprenticeships or introduce them in the future.
 - Apprenticeships offerings were skewed heavily towards those under the age of 25, with 90% of apprentices belonging to this group.
 - Employers were more likely to recruit externally for apprenticeships (91%) than offer opportunities to existing employees (62%).
 - Foundation Apprenticeships were not widely used, with only 1% of employers having had an FA student undertake a placement in the last 12 months, despite awareness of the FA program sitting at 50%.
- Similarly, just 1% of employers had a Graduate Apprentice at the time of the survey.

Preparedness for work

19. The report also finds that most employers found that educational institutions adequately prepared candidates for the workplace, with 68% of school leavers, 78% of college leavers, and 80% of university leavers deemed to be ready for the world of work.

Developing the Young Workforce (DYW)

20. On Work Placement and Work inspiration the EPS reported:

- 8% of employers provided work placements to young people at school over the last 12 months. This is a reduction from 2019, where a fifth (20%) of employers provided placements for school pupils.
 - The majority of employers providing placements for school pupils (77%) had not taken them into a permanent or long-term paid role, while around a fifth (22%) had done so either at the end of their placement or after they finished their education; this is a higher proportion than in 2019 (14%).
21. Similarly low was the level of employers undertaking work inspiration activities, such as site visits, careers talks and mock interviews. Just 8% of employers undertook such activities. These activities are provided to people at school, colleges and universities.

22. On DYW Regional Groups the EPS reported:
- 2% of employers had engaged with their local DYW Lead or Regional Group over the last 12 months. This is similar to levels in 2019 (3%).
 - Overall, 15% of employers had heard of the DYW Regional Groups, again similar to 2019 levels (14%). Among those aware, 15% had engaged with a DYW Regional Group.
 - Awareness of DYW Regional Groups generally increased with employer size; the largest employers with 100 or more employees were three times as likely to be aware (36%) than the smaller employers with 2 to 4 employees (12%).

Policy Area: Assurance and Outcomes

Outcome Agreements 2022-23

23. We published the [Outcome Agreement guidance for 2022-23](#) in early October and provided a sector update on the key aspects through a webinar for universities and colleges. This is a further transition year and the guidance outlines the steps required to ensure an agreement is in place between SFC and each university, college or college region during this transition year which captures, at a high-level, contributions, impact and outcomes and provides assurance on use of allocated funding in AY 2022-23. The transition is essential to provide assurance over outcomes and funding while we develop the Assurance and Accountability Framework (AAF; see update below).
24. At a glance:
- We aim to capture – at a high level – deliverables, impact and outcomes, and to give assurance on and accountability for the use of allocated funding and investment in AY 2022-23.
 - We are seeking contributions to a re-focused set of priorities, with a continued emphasis on continuing to safeguard student health and wellbeing and support an education-led economic recovery for Scotland.
 - We maintain our ambitions for improved and streamlined reporting, particularly if the information is available elsewhere, reducing bureaucracy and duplication.
 - We have reflected an ongoing commitment to fair access and transitions including the delivery of COWA; enhanced focus on quality learning and teaching, the student experience; student engagement; equalities and inclusion; and impactful research and innovation.
 - We enable institutions to demonstrate their impact in terms that are relevant to their particular context and mission.
25. Outcome managers will be discussing and negotiating the draft agreements through the period to December 2022, with signed-off agreements being submitted to SFC by 5

December 2022 – final sign-off is expected in April 2023 with the updated data tables. The aim is for the final outcome agreements to be published in late Spring 2023.

Tertiary Quality Enhancement Framework

26. An update on the Tertiary Quality Enhancement Framework is provided as a substantive paper on the agenda.

College governance review

27. We are undertaking a review of governance in the college sector which will incorporate lessons learned from the South Lanarkshire College case and other cases as appropriate. This will also consider university sector governance cases in Scotland and England (where these are in the public domain), where these are helpful to inform the wider lessons learned for college governance.
28. Whilst the SFC has not undertaken a recent review of college governance; this is now necessary to understand the complex issues in the sector and to identify how best to address these given recent high profiles governance failures in the sectors, with a particular focus on the college sector. The review will provide an independent view on where improvements are needed in both college governance itself and where we can make improvements to the guidance and other support to colleges on governance. The outcomes of the report will help SFC to understand where future financial support for governance matters may be most impactful and so best directed in terms of areas of governance practice that need strengthening. We are cognisant that significant public funds that have necessarily been spent by South Lanarkshire College (and by others when governance failures crystallise) on advice from lawyers, HR specialists and others to aid resolution of the issues at hand. Consequently, our investment in understanding the lessons learned and what we can do to support colleges to mitigate the risks of future governance failures is an investment in prevention and more cost-effective and better value for money than the cure.
29. The project will be overseen by a steering group chaired by the Director Access, Learning and Outcomes (ALO, James Dunphy) and comprising the Deputy Director Assurance and Outcomes (Jacqui Brasted), Deputy Director Financial Sustainability and Capital (Ursula Lodge) and Assistant Director (Andrew Millar). In terms of sector representatives, the group will include Audrey Cumberford and Waiyin Hatton in their respective capacities as Chairs of the College Principals Group and its Good Governance Steering Group. Dr Veena O'Halloran (an SFC Board member with extensive experience of governance) and a governance expert from a different regulator will also join the steering group (Helen Shaw, Director of Regulation at the Scottish Housing Regulator).
30. The work is expected to take place over the period October 2022 to February 2023 with the draft report to be delivered to the Steering Group by mid-February 2023 and the final report by the end of February 2023.

College Performance Indicator project

31. There has been significant interest at SMT and Board in the outcomes for learners at colleges, particularly where the performance indicators (PIs) show poor outcomes. SFC publishes an annual report on the College Performance Indicators, the most recent report covering learner outcomes for the 2020-21 academic year. This report highlights that Full-Time FE success rates at individual colleges ranged from 52.7% (Fife College) to 73.6% (Dundee & Angus College) and that successful completion rates for Scotland as a whole were 61.3%, suggesting that 38.7% of learners did not successfully complete their course. This is concerning as a headline figure but it does mask some considerable nuance, not least the impact of the pandemic and that a considerable proportion of these learners completed their course but did not gain the qualification for which they were aiming. It is possible that some of these learners will gain their awards later.
32. We recognise that there are variable success rates for learners between colleges and that external and personal circumstances may contribute to these outcomes. However, this notwithstanding, we suggest that fewer than 75% of Full-Time FE learners successfully completing their course at even the best performing college is likely not in the best interests of most of those students and could raise questions about the value for money of SFC's investment.
33. We are undertaking a joint Directorate project between Access, Learning and Outcomes (ALO) and Policy Insight and Analysis (PIA) during 2022-23 to improve our understanding of the issues surrounding college PIs. Led by a data analyst and an outcome agreement manager (OAM), with oversight and input by the Director of PIA and the Deputy Director Assurance and Outcomes, this will:
 - Analyse the data that we hold about colleges and identify the best and worst-performing colleges – this includes understanding:
 - variability in outcomes for courses at a college
 - patterns of characteristics of students who leave without their qualifications and also those who succeed.
 - Identify the questions that colleges need to answer in relation to the PIs, for example:
 - What happens when students leave their course? What information advice and guidance do they receive before making this decision?
 - Can students return and what is the mechanism for that?
 - Do students leaving before the end of their course receive recognition of credits earned / learning achieved?
 - Are the PIs the right tool for assessing student outcomes at colleges? What do the colleges themselves use?
 - Through joint engagement by the college's OAM and a data analyst, obtain clear information from the selected colleges (sample of the poorest and best performing in learner outcomes) in relation to the above questions.

- Synthesise and evaluate the information obtained to identify lessons learned and identify meaningful actions that colleges can take to improve the outcomes for learners. This will also be used to inform what data we will need to collect in the future.
 - Identify appropriate targets, timescales, and actions for improving learner outcomes at each of the sampled colleges, recognising that the best-performing colleges still have considerable room for improvement.
34. In assessing the meaningful actions that colleges can take, we will seek advice also from Principals of colleges with success in delivering good outcomes for students and, in particular, in improving the PIs at their colleges. We will also arrange a roundtable for colleges to discuss the outcomes of the project and share good practice to support improved learner outcomes more broadly across the college sector.
35. Finally, we will review the PIs to ensure that they are fit for purpose, particularly in the context of the post-Covid environment and funding challenges in the coming years. College PI definitions are different to (and harsher than) those of the university indicators and developing a common approach to these is fairer, will support benchmarking and comparisons, and will aid the identification of good practice across institutions.

UK engagement on quality

36. Through the UKSCQA^[1] the funders and regulators of higher education in the four nations of the UK – SFC, HEFCW, DELNI and OfS – have signed off on a joint statement, ‘Quality and standards in UK higher education: regulation and oversight’. It is intended that this statement will support understanding of and engagement with UK higher education around the world. The joint statement sets out how quality and standards are regulated in UK higher education, including for courses delivered outside the UK. We hope it will be of particular use to quality assurance agencies and regulators in countries where UK higher education institutions offer transnational education (TNE) provision. The document will be regularly reviewed and refreshed to take into account developments across the UK, including ongoing tertiary developments in Scotland and Wales. We continue to engage closely with our UK partners in areas of shared interest, including the National Student Survey.

Policy Area: Student Interests, Access and Pathways

37. Further to the update SEAL/22/08 provided to the committee in June 2022, the key areas of progress for Student Interests, Pathways and Access team have been the following areas. We have also published the allocations and guidance for access to free period products.

^[1] [UK Standing Committee for Quality Assessment](#)

Fair Access and Commission on Widening Access

38. We continue to work with the Scottish Government on highlighting the need for a review and reconsideration of COWA Blueprint for Fairness recommendations to consider a wide review of student needs and issues relating to poverty.
39. On 7 September 2022, the Director of ALO and Assistant Director of Student Interests, Access and Pathways attended the Ministerial Access Delivery Group. The Delivery Group's primary purpose is to drive and oversee the implementation of A Blueprint for Fairness, thereby supporting the Scottish Government to meet its goal of tackling socioeconomic inequality in higher education.
40. The September meeting of the Delivery Group primarily focused on the issue of Scottish Index of Multiple Deprivation (SIMD) and access measures.
41. SFC and the sector continue to encourage Scottish Government officials to progress work on their designated data recommendations including to develop a consistent and robust set of measures to identify access students. We have always seen merit and have been supportive of additional measures to sit alongside the area-based SIMD measure (the COWA targets measure is based upon Scottish domiciled full-time first degree entrant numbers and proportions from SIMD20).
42. We remain committed to the achievement of COWA targets and have through the recently published 2022-23 Outcome Agreement guidance continued to seek improvements and strive towards the achievement of this measure. We need to continue to seek increases to OA commitments (and achieve delivery on the existing targets) if the sector is to meet the next milestone point of 18% in 2026 and then the 20% target in 2030.
43. The Director of ALO reassured the Delivery Group that SFC:
 - Continue to celebrate, support and challenge institutions to deliver our ambition in widening access
 - Protected and maintained our investment in widening access - including protecting our investments in access - whether that be bridging programmes, premia or places which directly support learners. Enabling the professional teams within institutions to get on and do what they need to do to reach, bridge, support and on-board learners
 - Our outcome agreement guidance and our programme of engagement with institutions will continue to focus on our national policy priorities in access - not only at the point of recruitment but through the student journey, focusing on securing positive experiences and outcomes for learners
 - We will monitor progress closely, including through the SFC early access data returns

- We are also remaining closely engaged with institutions and with the team at NUS Scotland to help us to understand developing barriers around the cost-of-living crisis

Commissioner for Fair Access

44. Scottish Government officials have indicated that the appointment of a new Commissioner for Fair Access is currently with Scottish Ministers for decision.

Development of a National Schools Programme

45. The SFC National Schools' Programme is being constructed on the foundation of FOUR PILLARS, or cornerstones, of support for all young people in Scotland. These supports have consistently been recognised as determining factors of success in widening access to higher education, drawing from evaluation studies in widening participation research over a significant number of years. These can be one or more of:
- information, advice, guidance and support (IAGS)
 - an experiential visit to a campus or a residential experience
 - a recognised HE bridging or top-up-type course or module, often including SCQF credit points, that has a pre-agreed weight towards a qualified or contextual HE offer
 - specialist support regarding access to the high-demand professions.
46. SFC worked in AY 2021-22 with existing programmes with the aim of supporting one national programme from AY 2022-23 onwards. The framework of a national programme now exists, with a recognisable identity, including the sub-identities of its constituent programmes within SHEP and AHDP.
47. Work has now moved into a consultation phase on how to evolve this programme. This work has included a pupil survey, a presentation to the Minister's Access Delivery Group, Local Authorities, key Scottish Government departments and agencies, sectoral agencies including Young Scot.
48. A key element of the evolution of the programme is the development of four regional hubs to deliver a more effective response to pupils, especially those most impacted by COVID-19. Examples of this regional joint working are:
- joint presentations to schools on activity in their regional areas
 - staff from access teams sharing knowledge in regional areas
 - consensus on programme activity evolution and development
 - joint working on action research
49. Crucially the majority of the current and future funding for the NSP will be directed through these hubs (outlier access programmes beyond this model being the unique fair

access work of the Royal Conservatoire of Scotland and currently the work of the GCU Advanced Higher Hub).

50. Another key element of the evolution of the NSP is the development of Scotland-wide Progression Agreements to ensure all pupils receive a nationally recognised benefit from their involvement in the programme. Work is ongoing in this area and has been informed by the consultation phase.

Student mental health and wellbeing

51. On behalf of the Chief Executive, the Director of ALO accepted an invitation from Universities Scotland, NUS Scotland and the Mental Health Foundation to join a roundtable discussion on 11 October 2022 on the solutions needed to address student poverty in Scotland as linked to mental health and wellbeing.
52. The event was co-chaired by Professor Pamela Gillies, Principal of Glasgow Caledonian University and Ellie Gomersall, President of the National Union of Students Scotland and was intended to bring stakeholders together to explore how Scotland can move towards practical implementation of change. The Co-chairs intended the outcomes of this discussion would feed into the remit and substance of the Scottish Government's Student Mental Health Action Plan.

Investment in Counsellors

53. SFC has invested £11.6m since AY 2019-20 in additional counsellors for the sector, resulting in an increase of around 89 FTE of additional counsellor provision. Further funding is expected to be made available in AY 2022-23, the final year of the funding commitment. We are awaiting final confirmation of the full academic year budget from the Mental Health Department. We are working closely with the Scottish Government and will confirm the allocations and issue associated guidance as soon as possible.

Scottish Government Student Mental Health Action Plan

54. The Scottish Government made a 2021 manifesto commitment to develop a Student Mental Health Action Plan. A Student Mental Health and Wellbeing Working Group, with key sector, NHS and local authority stakeholders, has been established to contribute to the development of the plan. SFC sits on this group.
55. The Action Plan is planned for publication in Spring 2023. It will link with wider SG work including the Suicide Prevention Strategy and wider SG Mental Health Strategy and will try and tap into existing SG funding streams to support this work.
56. The plan will have several strands, including:
 - Preventative mental health and wellbeing activity e.g., sports, faith, community, and working with students with low level mental health issues anxiety.
 - Embedding mental health in the curriculum.

- Support for more serious mental health issues, including counselling and addressing counsellor waiting times in universities.
- Better referral pathways, and how to access NHS and community services for acute needs.

SFC funded access and non-core programmes

57. In June we updated the committee on our funding to access programmes over and above the NSP outlined above. This included funding to SWAP (Scottish Wider Access Programme), SCQFP (Scottish Credit and Qualifications Framework Partnership), SCAPP (Scottish Community of Access and Participation Practitioners) for AY 2022-23.
58. Since then, we have also approved bids for AY 2022-23 to Sparqs (student partnerships in quality Scotland) for £357,875, NUS (to support college Student Associations) for £167k and Scottish Students Sport for £100k.
59. We are now considering progress reports from these programmes.

Equality and Diversity

60. To enhance our oversight of equality in the sector the SFC began a more strategic relationship with the EHRC to explore mutual benefits to the organisations working together. We developed a Joint [EHRC SFC Memorandum of Understanding \(MoU\)](#) and an action plan which was agreed and signed by both organisations and published in March 2020. A key pillar of that work was to jointly develop a set of National Equality Outcomes (NEOs) based on the evidence of persistent inequalities. These NEOs and the SFC and EHRC's ask of institutions will be published shortly.
61. NEOs represent inequalities at a national scale that we need institutions to contribute towards to make the system fairer and equitable. To reduce reporting this will be part of their, already in place, legal reporting duties. This will also enable institutions to have longer time periods to demonstrate impact as the Public Sector Equality Duty (PSED) Equality Reporting timeline relates to four years with progress updates being provided every two years. For clarity we will not prevent institutions from setting other equality outcomes that directly relate to their institution nor will we expect an institution to contribute to a NEO where the issue does not apply to them.
62. This approach will reduce the need for additional reporting and is intended to sit as the key source of truth on the persistent inequalities (at this time) and therefore prevent the need for additional asks from Ministers and the SG of the SFC and the sector. The EHRC are very positive about our joint work and frame the partnership and the approach as the first of its kind in the UK. We will be working with the EHRC to launch and promote this joint publication and the EHRC intend on putting it on their website as an example of a good strategic approach.

Policy Area: Coherent Learning Provision

63. This policy area is covered as a major item on the agenda and is for discussion.

Recommendations

64. The SEAL Committee is invited to note the contents of this paper.

Publication

65. This paper will be published on the SFC website.

Further information

66. Contact: André Reibig, Senior Policy Officer, areibig@sfc.ac.uk